

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 93-133-C - ORDER NO. 93-892 ✓  
SEPTEMBER 23, 1993

IN RE: Application of Professional Communications    ) ORDER  
Management Services, Inc. for a Certificate    ) APPROVING  
of Public Convenience and Necessity to        ) CERTIFICATE  
Operate as a Reseller of Telecommunications    )  
Services Within the State of South Carolina.)

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of Professional Communications Management Services, Inc. (PROCOM or the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of telecommunications services in the State of South Carolina. PROCOM's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1992) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed PROCOM to publish a prepared Notice of Filing in newspapers of general circulation in the affected areas one time. The purpose of the Notice of Filing was to inform interested parties of PROCOM's Application and the manner and time in which to file the appropriate pleadings for participation in the proceeding. PROCOM complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. Petitions to

Intervene were filed by Southern Bell Telephone and Telegraph Company (Southern Bell) and the South Carolina Department of Consumer Affairs (the Consumer Advocate). Southern Bell's and the Consumer Advocate's subsequent Motions to Withdraw from this proceeding were granted by this Commission.<sup>1</sup>

Larry J. Sisler, President of the Company, submitted verified testimony and an affidavit on behalf of PROCOM. Mr. Sisler explained PROCOM's request for authority to provide direct dial long distance service using the resold transmission services of certificated carriers in South Carolina. He stated PROCOM planned to utilize the long distance facilities of LCI International, Inc. Mr. Sisler also explained the Company's billing procedures and the handling of complaints. Mr. Sisler stated that the Company offers its services, which include "1+" direct dial toll services and calling card services, to both residential and business customers but that the Company does not provide payphone services or operator services. Mr. Sisler also explained the Company's financial resources and stated that he believes the Company has the necessary resources to provide its services in South Carolina. Mr. Sisler testified that PROCOM has no plans to provide 900 services.

Mr. Sisler further submitted that PROCOM will provide an additional choice for consumers by expanding the availability of

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1. Both Southern Bell and the Consumer Advocate were allowed to withdraw their interventions in Order No. 93-582, dated July 1, 1993.

certain telecommunications services to the public at more competitive prices, thereby allowing smaller businesses and residential customers to maintain their communications costs at levels similar to those of larger users. Mr. Sisler submits that the increased competition results in products and services made and delivered more efficiently and more responsively to the consumer's needs and desires.

After full consideration of the applicable law, the Application, and testimony and affidavit presented by PROCOM the Commission hereby issues its findings of fact and conclusions of law:

#### FINDINGS OF FACT

1. PROCOM is incorporated under the laws of the State of Maryland, and is licensed to do business as a foreign corporation in the State of South Carolina by the Secretary of State.
2. PROCOM operates as a non-facilities based reseller of interexchange services and wishes to do so in South Carolina.
3. PROCOM has the experience, capability, and financial resources to provide the services as described in its Application.

#### CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to PROCOM to provide intrastate service through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Services (MTS), Foreign

Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for PROCOM for its resale services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984). The Commission adopts PROCOM's proposed maximum rate tariffs.

3. PROCOM shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. PROCOM shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of PROCOM's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540

(Supp. 1992).

4. PROCOM shall file its tariff and an accompanying price list within thirty (30) days of the date of this Order. Further, the tariff shall be filed with the Commission in a loose-leaf binder.

5. PROCOM is subject to access charges pursuant to Commission Order No. 96-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. With regard to PROCOM's resale of service, an end user should be able to access another interexchange carrier or operator service provider if they so desire.

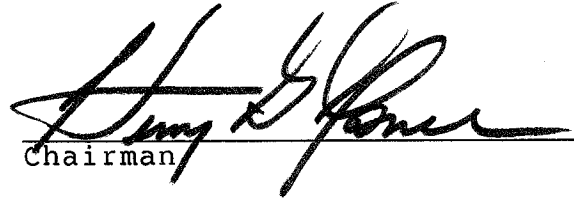
7. PROCOM shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If PROCOM changes underlying carriers, it shall notify the Commission in writing.

8. PROCOM shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

9. PROCOM shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

10. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'S

- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION, MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.

- (4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3 ABOVE).